

BUSINESS FORMS *Reporter*

Data Processing's \$2 Billion Growth Will Boom Use of Business Forms!



Business Forms Industry Must Grow!

By GEORGE BOTTS

Look for accelerated growth of the forms business as a result of optimistic forecasts made in Los Angeles by executives of the business equipment industry. As equipment goes, so go forms!

Predictions of continued growth were made by chairmen of industry groups in

the Business Equipment Manufacturers Association as 30,000 potential customers streamed through the Business Equipment Exposition in Los Angeles Memorial Sports Arena.

Particularly encouraging was Milton E. Mengel's revelation that data processing business will have increased 30 per cent this year. "Instead of a \$1 billion in-

BUSINESS EQUIPMENT on parade at the Business Equipment Exposition in Los Angeles Memorial Sports Arena included 75 new products.

crease in value of systems predicted earlier," the Burroughs Corp. vice president reported, "it appears that this year's total will be closer to \$2 billion, bringing the total value of systems installed to over \$6 billion." If this estimate holds true, he predicted, more than 22,000 computer systems will have been installed by the end of 1964.

A Business Based on Promises

W. Lee Pryor, a Northwestern University graduate, was not unlike many of his contemporaries in that he saw a good future in the data processing field. So he



W. LEE PRYOR

passed down an anti-trust decision requiring IBM to release its exclusive hold on the production of tab cards.

Seeing the handwriting on the wall, Pryor borrowed \$16,000 and went into the tab card business using a sales twist: he promised 10-day delivery, overnight service on emergency orders.

Today's modern, air conditioned, automated plant occupies over 25,000 square feet and is located in a growing industrial area of Evanston, a Chicago suburb. It's a far cry from the original location that consisted of 2,500 square feet. Still, first year sales were an encouraging \$220,000 as a result of producing 200 million data processing cards.

Just five years after opening its doors, Midwest Tabulating Card Producers will close their 1964 books with sales of \$3.2 million based on production of more than three billion cards. That's an annual growth rate in excess of 100 per cent.

In addition, Midwest Tab has a plant in Pittsburgh (known as Data Tab) and services customers from sales offices in Chicago, Pittsburgh, Milwaukee, and Davenport. Their specialty card line is handled nationally by more than 40 dealers in areas that cannot, as yet, support a full-time man.

"I like to think most of our growth came as a direct result of quality," Pryor says, "because one out of every five employees is directly responsible for a phase of quality control."

Toward this end, Midwest Tab does everything internally to maintain complete quality control. Designing of cards, finished artwork, and other preparatory phases are completed by full-time specialists in each field. Once a job is ready for the press, Midwest Tab puts its huge shop to work.

Data processing card stock is received in rolls weighing three-quarters of a ton. Though there are 854 paper mills in the United States, only three make stock that meets the exacting requirements of Midwest Tab. While minute variations occur in manufacturing stock, it is continually checked on electronic micrometers to check its thickness of .007" plus or minus a tolerance of .0004". Grain is carefully checked to be sure it's "long" to facilitate printing and maintain speed in actual data processing operations.

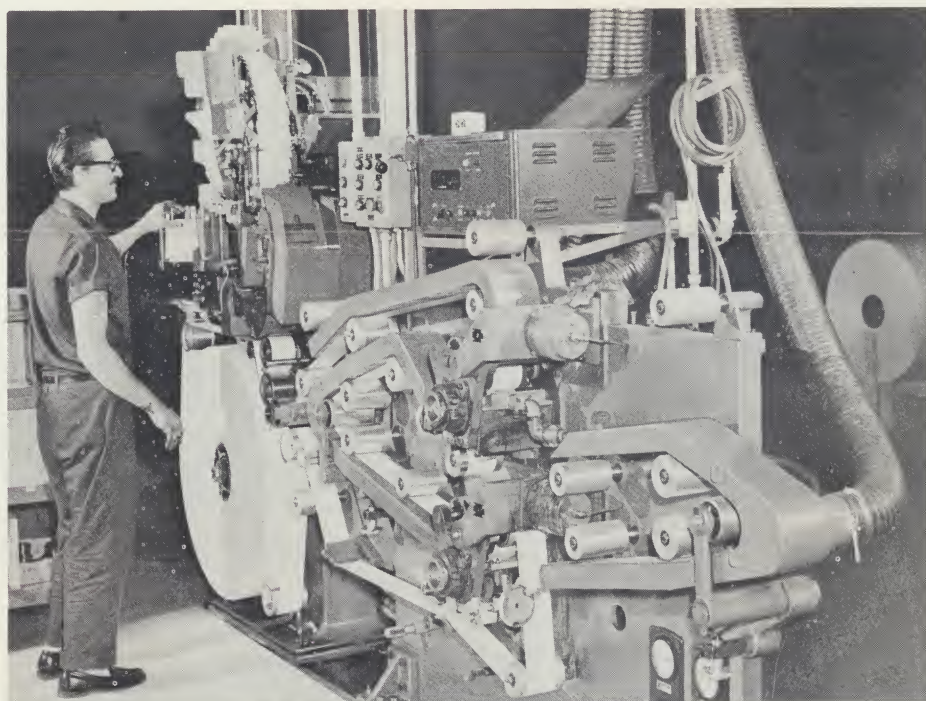
The card stock storage area, like the pressroom, is maintained at a relative

humidity of 45 to 50 per cent. This assures proper moisture content which is as important in printing cards as it is in storing them.

The roll stock is placed on a slitter and unwinds at a speed of 1,600 feet per minute while being slit into 14 reels measuring 3.250", the exact width of a data processing card. This width cannot vary by more than two-thousandths of an inch. From this point it is moved to the pressroom to become data processing cards or specialty cards.

Pioneers New Card Uses

It might be well to point out that Midwest Tab excels in the use of specialty cards as an advertising medium. As an example, Pure Oil credit card holders who fail to use their account in any given month will receive an advertising (specialty) card urging them to use the facilities of their dealers. If they remain inac-



THIS CUSTOM-BUILT gravure press prints two colors on one side and one color on the other side while providing tinted backgrounds, perforations and complete scoring in a single press run. It was designed especially to produce checks, premium notices and similar specialty cards.

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tive for several months, they'll get a different card each billing period. Data processing made the mechanics possible; Midwest Tab developed the cards to make it possible, workable, and economical.

If Pryor takes you on a tour of his plant and seems to linger at the gravure press, it's only because it was developed and built especially for Midwest Tab. Printing two-colors on one side and one-color on the other, this press produces specialty cards faster—and therefore at lower cost—than ever before possible.

The custom-built gravure press is versatile in that it will provide tinted backgrounds, perforating, and complete scoring at the same time the printing is being done. This press has been ideal for billing and statement cards, insurance premium notices, checks and money orders, as well as straight advertising material.

All that its name implies — Midwest Tab's battery of New Era presses adds a sophistication to specialty cards that was previously unavailable from independent card producers. Handling cards ranging from 51 columns to a full 16 inches, these New Era presses offer multi-color printing, magnetic ink coding, pre-punching, serial numbering, plate tinting, and top and/or side stubs in a single pass through the press.

"Our New Era and gravure presses have allowed us to maintain a two-to-three-week delivery schedule on specialty cards," says Pryor, "but most important is the level of quality control maintained through a system of checks, counter-checks, and rechecks. It has always been my belief that a press is only as capable of quality as the pressman himself. In fact, I'm firmly convinced that our personnel's spirit and attitude

have been a major contributing factor in our rapid growth."

Last in order, but not in importance, is the battery of Carroll presses that run three shifts around the clock. Each press produces 1,400 data processing cards per minute. Printing, striping, length cutting, and the corner cut are done in a single operation. Again, quality control is paramount and cards are inspected by an electronic detector that spots holes or imperfections in the card stock. Length and printing registration are checked for accuracy continually and the cards are packaged in boxes bearing the initials of the pressman. Still, the shop foreman runs a thorough quality analysis on every box of cards before it's shipped to the customer.

Continual Growth a Must

"In this business," reports Pryor, "if you're not moving ahead, you're sliding backwards." And proof of this can be found in the new Didde-Glazer that collates and produces snap-out tab card sets with up to seven parts, one or more of which can be a data processing card. This new equipment, combined with exceptional pressroom versatility, allows Midwest Tab to ship snap-out sets in less than 30 days even if they require pre-punching, serial numbering, magnetic ink coding, back printing, multi-color overprinting, or stubs of variable length.

While he maintains a fleet of trucks for fast delivery in areas adjacent to his plants, Pryor has only recently gotten his private pilot's license, purchased a twin-engine Piper Comanche, and is constantly in the air providing super-fast delivery on rush orders . . . at no additional cost to the customer.

"Many areas still do not have good air express service, but even the smallest town has an air strip. I've even landed on grass fields to make an emergency de-

livery. Down time on data processing equipment is mighty expensive, so we like to do our part by making certain our customer has the cards he needs . . . when he needs them," comments Pryor.

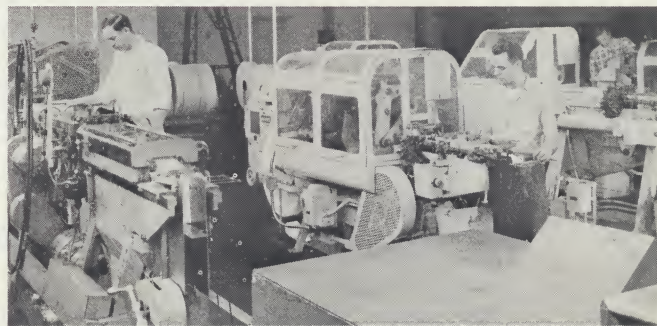
Another Midwest Tab philosophy is that all men in the field must be data processing specialists first, salesmen second. Bob James, vice-president in charge of sales, is an excellent example of this policy. Before joining Midwest Tab, Bob managed a 1401 computer operation in Chicago. Other Midwest Tab representatives have backgrounds of heavy experience in the field before joining the firm. This is especially important because Midwest Tab is continually designing new cards to meet the changing needs of their customers.

Midwest Tab has enjoyed remarkable growth during their five years. New plant sights are being considered, product innovations are on the drawing boards, equipment is constantly being re-engineered to produce cards of still better quality faster and at lower cost to the data processing manager.

As for the man who had an idea and turned it into an integral part of the growing field of automation, this reporter notices that Lee Pryor is prematurely gray around the temples, but this 34-year-old president of a growing multi-million-dollar corporation sums it up in a very few words, "Hell, we've only just begun to grow. But one thing is certain, we'll never sacrifice our quality standards or a delivery schedule for the sake of growth alone. Getting customers in this business is easy; keeping them is something else again. We've had a customer turnover of less than 3 per cent and we didn't keep the other 97 per cent because they especially like our smiles. Rather, they like the way we do business and, even more important, keep our promises." ●



THIS IS A PORTION of the Carroll press department that produces data processing cards at a speed of 1,400 cards per minute, per press, while striping, length cutting and the corner cuts are done at the same time the cards are being printed.



THIS BATTERY of New Era presses will produce specialty cards from 51 columns to a full 16 inches while providing multi-color printing, magnetic ink coding, pre-punching, serial numbering, plate tinting, top and/or side stubs—all on a single pass.